



COMMUNITY DEVELOPMENT COMMISSION

County of Los Angeles

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Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

August 3, 2004

Honorable Board of Commissioners
Community Development Commission of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

**AGREEMENT TO NEGOTIATE EXCLUSIVELY TO DEVELOP A MIXED-
USE HOUSING DEVELOPMENT IN EAST RANCHO DOMINGUEZ
COMMUNITY REDEVELOPMENT PROJECT AREA (2)
(3 Vote)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the 180-day Agreement to Negotiate Exclusively (the Agreement) between the Commission and the Los Angeles Community Design Center, a California non-profit public benefit corporation (the Developer), presented in substantially final form, to negotiate a Disposition and Development Agreement (DDA) for the East Rancho Dominguez Mixed-Use Housing Project (the Project), a 2.75-acre community and residential development to be located at 15787 South Atlantic Avenue (the Site), in the East Rancho Dominguez Community Redevelopment Project Area (Project Area) in unincorporated East Rancho Dominguez and in the City of Compton.
2. Authorize the Executive Director to execute the Agreement, to be effective following approval as to form by County Counsel and execution by all parties.
3. Authorize the Executive Director to amend the Agreement to extend the negotiation period for an additional 90 days, to be effective following approval as to form by County Counsel and execution by all parties.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to allow the Commission and the Developer to negotiate the terms of a DDA to construct a community and residential development in the Project Area.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On July 10, 1984, the Board of Supervisors adopted the Redevelopment Plan for the East Rancho Dominguez Project Area, which includes the goals of promoting planned orderly growth of the Project Area; eliminating blighting influences; strengthening the image and identity of the community; promoting the development of local job opportunities; and improving the visual character of Atlantic Avenue. The Redevelopment Plan is currently being amended to be consistent with the development of affordable housing.

In September and October 2003, the Commission convened community meetings to receive input on future development of the Site. On November 17, 2003, the Commission issued a Request for Proposals (RFP) for development of the Site, incorporating provisions requested by the community. On January 29, 2004, five proposals were received.

All five proposals were subjected to a threshold and scoring process in accordance with the RFP. The scoring system was based on financial feasibility, the development team's experience and capabilities, design criteria, provision of supportive services, and community-based criteria. As part of the process, proposers were given the opportunity to appeal the scores they received. On April 21, 2004, an Independent Review Panel, consisting of individuals with expertise in affordable housing and economic development, a community member and the Second District Housing Commissioner evaluated the scoring process. Based on their evaluation, the Independent Review Panel recommended the Developer's "Casa Dominguez" proposal. This proposal scored the most points in the review process after the consideration of appeals.

The City of Compton was informed of the RFP prior to its issuance, provided with information on the five proposals, and given an opportunity to participate in the Independent Review Panel's deliberations.

The proposed Agreement will enable the Developer and the Commission to negotiate a DDA for development of Casa Dominguez, a 2.75-acre community and residential project on the Site, which is located both within the Project Area and in the City of

Compton. Discussions will include components of the development, including: a childcare center with a primary care health clinic and parent resource center; 70 units of rental housing, 69 of which will be reserved for families earning less than 50 percent of the Area Median Income; and requested Commission assistance for the project. The Agreement does not commit the Commission to a particular course of action.

The Commission may, during the negotiating period, hold community meetings to gather additional input from the community. The Developer will also be a part of any public meetings that are held. Upon the conclusion of the negotiations, the DDA will be presented to your Board for approval.

A site plan of the proposed new development, and a map of the overall Project Area, are provided as Attachments A and B.

The Agreement will be effective following approval as to form by County Counsel and execution by all parties.

ENVIRONMENTAL DOCUMENTATION:

This proposed Agreement does not commit the Commission to a particular course of action and is not subject to the requirements of the California Environmental Quality Act (CEQA) or the National Environmental Policy Act (NEPA). All CEQA and NEPA environmental review requirements must be completed prior to signing a Disposition and Development Agreement committing the Commission to this project.

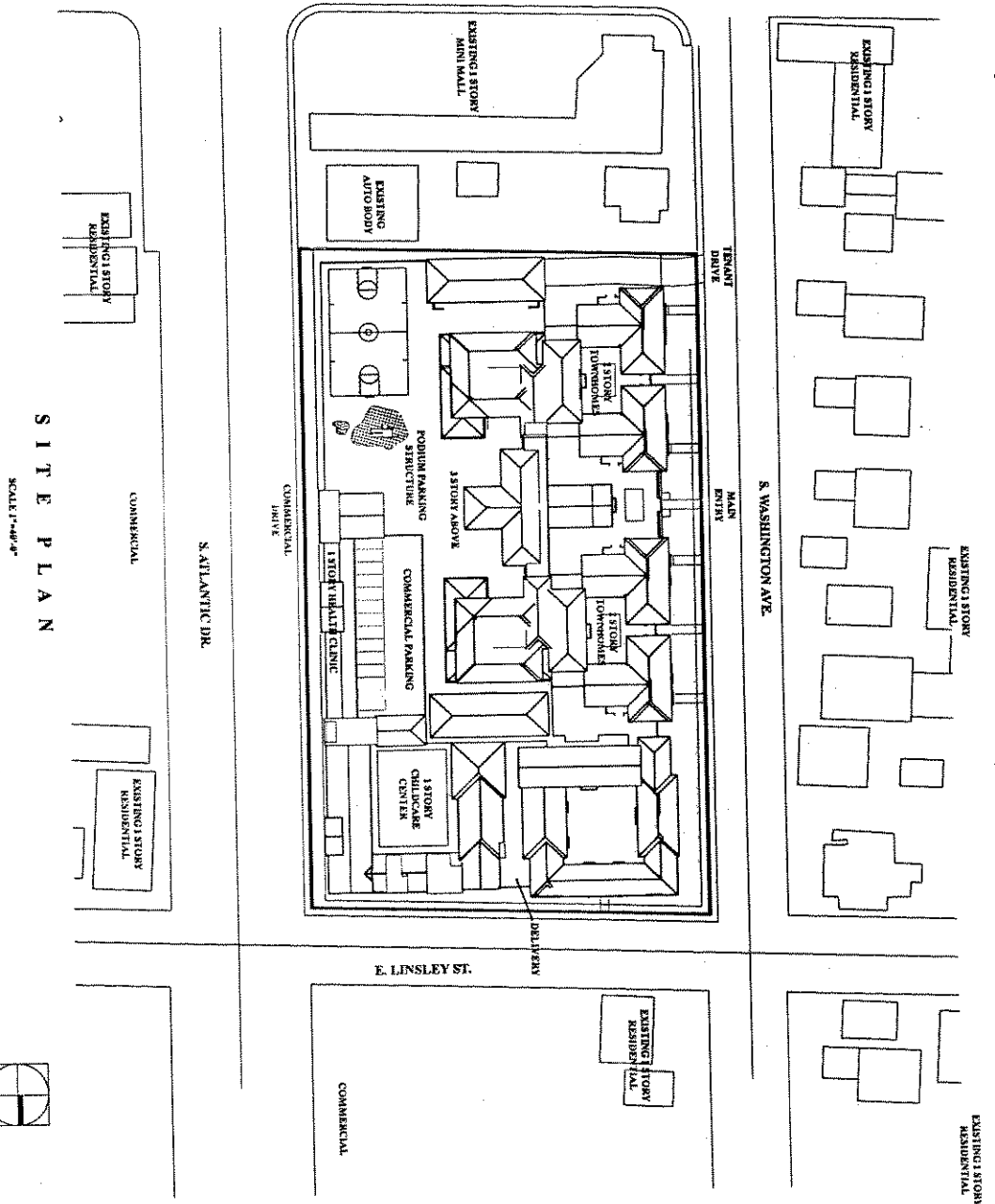
IMPACT ON CURRENT PROJECT:

The proposed Agreement will allow the Commission to negotiate terms of a DDA with the Developer, which will increase of the number of affordable rental units in the County, and further the goals of the East Rancho Dominguez Redevelopment Plan.

Respectfully submitted,

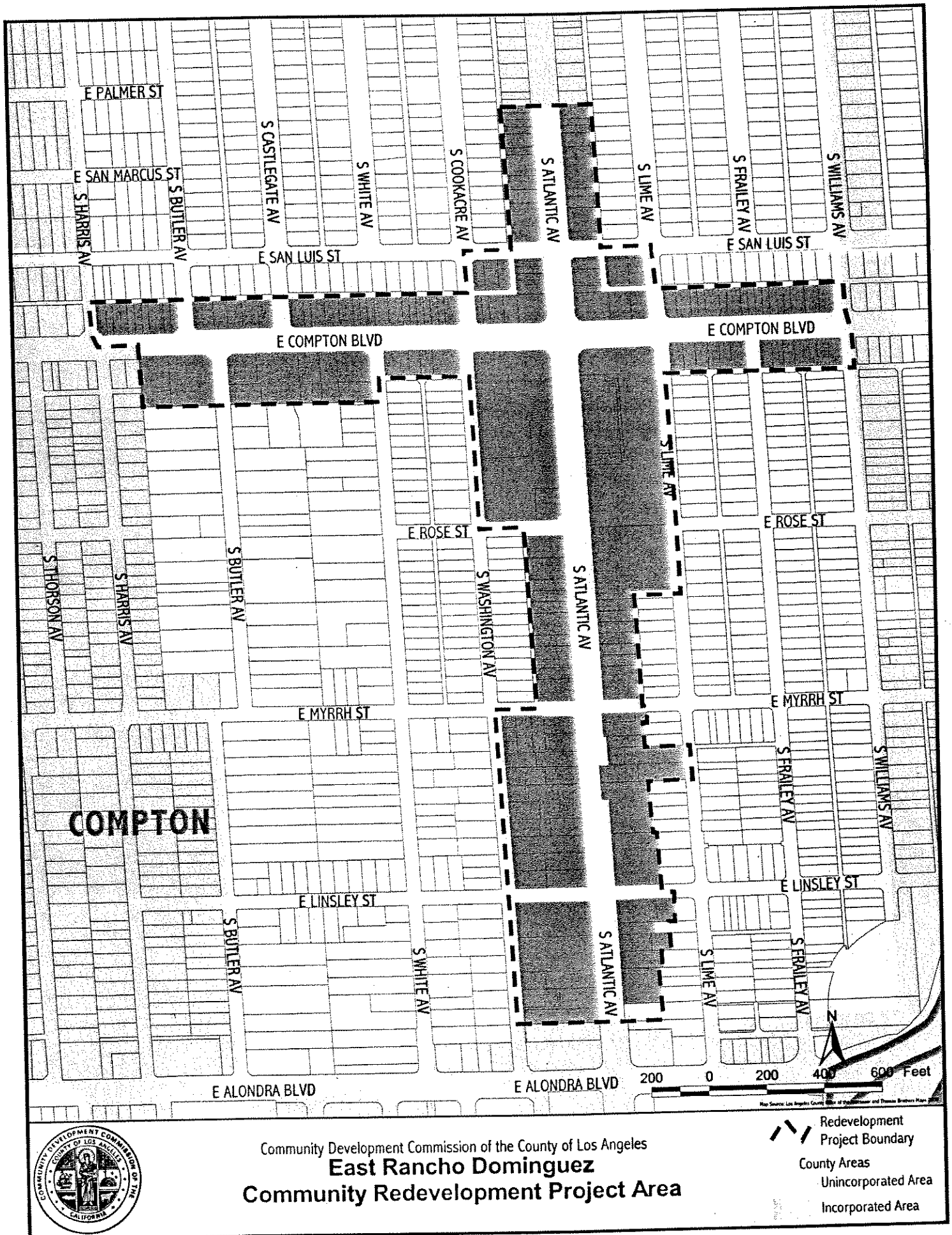
CARLOS JACKSON
Executive Director

Attachments: 3







CASA DOMINGUEZ
MIXED-USE PROJECT • 15787 S. ATLANTIC AVE.
EAST RANCHO DOMINGUEZ CALIFORNIA
SCHEMATIC DESIGN 3 JANUARY 29, 2004





Community Development Commission of the County of Los Angeles
East Rancho Dominguez
Community Redevelopment Project Area

-  Redevelopment Project Boundary
-  County Areas
-  Unincorporated Area
-  Incorporated Area

AGREEMENT TO NEGOTIATE EXCLUSIVELY

by and between

COMMUNITY DEVELOPMENT COMMISSION

OF THE COUNTY OF LOS ANGELES

and

LOS ANGELES COMMUNITY DESIGN CENTER

EAST RANCHO DOMINGUEZ MIXED-USE HOUSING PROJECT
AGREEMENT TO NEGOTIATE EXCLUSIVELY

THIS AGREEMENT TO NEGOTIATE EXCLUSIVELY (the "Agreement") is entered into this _____ day of _____, 2004, by and between the COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES, a public body, corporate and politic (the "Commission"), and LOS ANGELES COMMUNITY DESIGN CENTER, a California nonprofit public benefit corporation (the "Developer"), on the terms and conditions set forth below. Commission and Developer are sometimes referred to collectively herein as the "Parties" and each individually as a "Party".

RECITALS

- A. WHEREAS, the Commission issued a Request for Proposals ("RFP") on November 17, 2003, for the development of certain real property located at 15787 South Atlantic Avenue (the "Site") in the East Rancho Dominguez Community Redevelopment Project Area (the "Project Area") and the City of Compton, and said RFP is incorporated herein by this reference in its entirety as though fully set forth.
- B. WHEREAS, this Agreement is in response to the RFP, in which the Developer was selected to receive an Exclusive Right to Negotiate in accordance with the RFP's requirements.

NOW, THEREFORE, the Parties agree as follows:

[100] Duration of this Agreement

The duration of this Agreement shall be for a period of one hundred eighty (180) days from the date first written above plus any extensions mutually agreed to by the Executive Director of the Commission and the Developer ("Negotiation Period"). If upon expiration of the Negotiation Period, the Developer has not signed and submitted a Disposition and Development Agreement (DDA) satisfactory to the Commission, then this Agreement shall automatically terminate. The Board of Commissioners of the County of Los Angeles ("Board of Commissioners") has authorized the Executive Director of the Commission to extend this Agreement for up to an additional ninety days.

[101] Deposit

Prior to the execution of this Agreement by the Commission, the Developer shall submit to the Commission a good faith cash deposit (the "Deposit") in the amount of FIVE THOUSAND DOLLARS (\$5,000.00). The Deposit shall ensure that the Developer will proceed diligently and in good faith to negotiate and perform all of the Developer's obligations under this Agreement.

The Commission shall place the Deposit in an interest-bearing account and such interest, when received by the Commission, shall become part of the Deposit.

[200] Negotiations

[201] Good Faith Negotiations

The Commission and the Developer agree during the Negotiation Period set forth above to negotiate diligently and in good faith to prepare the DDA for execution by the Developer and for

submission and approval by the Board of Commissioners, in the manner set forth herein with respect to the development as referenced in Section 301 hereof (the "Development") of the Site located within the boundaries of the Project Area. The Commission agrees, for the Negotiation Period, not to negotiate with any other person or entity regarding development or transfer of the Site. During the term of this Agreement, except as provided in the RFP, the Commission shall keep confidential all information, plans, projections, and reports provided to the Commission by the Developer in connection with the review, evaluation, and development of the Site and shall not disclose any such material to any third party, except to the extent required by law, without the express written consent of the Developer.

In the event at any time during the Negotiation Period the Developer does not negotiate diligently and in good faith as determined by Commission in its reasonable discretion, the Commission shall give written notice thereof to the Developer who shall then have thirty (30) business days to negotiate in good faith to the satisfaction of the Commission. Following the receipt of such notice and the failure of the Developer to thereafter negotiate in good faith within said thirty (30) business days, this Agreement may be terminated upon written notice by the Commission. In the event of such termination by the Commission, the Commission shall retain the Deposit and any interest earned thereon.

Except as provided in the preceding paragraph, upon termination of this Agreement on or before the expiration of the Negotiation Period (which may include any authorized extension of the original 180 day period), neither party shall have any further rights against or liability to the other under this Agreement.

If a DDA is approved and executed by the Commission and the Developer, the DDA shall thereafter govern the rights and obligations of the parties with respect to the Development and shall supersede this Agreement.

[202] Redevelopment Plan

This Agreement and the DDA are subject to the provisions of the Redevelopment Plan for the Project Area that was approved and adopted by the Board of Supervisors of the County of Los Angeles by Ordinance No. 84-0113 on July 10, 1984.

[300] Development Concept

[301] Scope of Development

The negotiations between the Developer and Commission shall be for the construction of the Development that was proposed by the Developer entitled "Casa Dominguez" (the "Developer Proposal"), and that was recommended by the Commission's Independent Review Panel at its April 21, 2004 meeting. The Developer Proposal is incorporated into this Agreement by reference, as though fully set forth herein.

[400] Purchase Price and/or Other Consideration

Any applicable purchase price for properties within the Site to be paid to the Commission by the Developer, and/or other consideration to be paid to the Commission by the Developer under the DDA, will be identified in the DDA which will be approved by the Board of Commissioners after a noticed public hearing, as required by law.

[500] The Developer

[501] Nature of the Developer

The Developer is a California nonprofit public benefit corporation.

[502] Office of the Developer

The principal office of the Developer is:
Los Angeles Community Design Center
315 West Ninth Street, #410
Los Angeles, CA 90015
ATTENTION: Amy Anderson, Housing Director/Vice President

Amy Anderson is the Developer's authorized representative to administer and implement this Agreement.

[503] Full Disclosure

The Developer shall make full disclosure to the Commission of its principals, board members, major partners, joint venture partners, key managerial employees, other associates (collectively, "principals"), and all other material information concerning the Development, including education, experience, and qualifications of Developer and its principals whose identities, development experience, and qualifications are of great importance to the Commission and the basis for the Commission to enter into this Agreement.

Any change of the principals of the Developer, with the exception of board members, must be approved by the Commission in its sole discretion during the term of this Agreement.

[600] The Developer Financial Capacity

[601] Financial Ability

Prior to approval and execution of the DDA by the Developer and the Commission, the Developer shall submit to the Commission evidence of its ability to finance the construction of the Development to the satisfaction of Commission in its sole discretion.

[700] Developer Pre-development Activities

[701] Public Participation

During the Negotiation Period, the Commission may hold public meetings to obtain community comment on the Development. As requested by the Commission, the Developer shall attend such public meetings and be prepared to report on the status of the Development and respond to questions and comments by the community.

[702] Developer's Findings, Determinations, Studies and Reports

Upon reasonable notice, as requested by the Commission in its sole discretion, the Developer shall provide written progress reports to the Commission on any matters, including plans and studies related to the Development.

[800] The Commission

[801] Office of the Commission

The principal office of the Commission is:
Community Development Commission of the
County of Los Angeles
2 Coral Circle
Monterey Park, CA 91755
ATTENTION: Taufiq K. "Syed" Rushdy, Director
Housing Development and Preservation Division

The Director of the Housing Development and Preservation Division is the Commission's authorized representative to administer and implement this Agreement, subject to any appropriate approvals of the Executive Director and Board of Commissioners.

[900] Commission Activities

[901] Commission Assistance and Cooperation

The Commission shall assist and cooperate in providing the Developer with appropriate information and assistance for the development of the Site, as the Commission determines in its sole discretion.

[902] Public Hearing

Any DDA hereunder shall become effective only after approval by the Developer and the Board of Commissioners after a noticed public hearing called for such purpose as required by law.

[1000] Limitations of this Agreement

This Agreement does not constitute a commitment of any kind by the Commission regarding the sale, transfer, or development of all or any part of the Site. Execution of this Agreement by the Commission is merely an agreement to enter into a period of exclusive negotiations according to the terms hereof, reserving final discretion and approval by the Board of Commissioners as to any DDA and all proceedings and decisions in connection therewith.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date and year first written above.

**LOS ANGELES
COMMUNITY DESIGN CENTER**
a California nonprofit public
benefit corporation

**COMMUNITY DEVELOPMENT
COMMISSION OF THE COUNTY
OF LOS ANGELES**

BY: _____

NAME: Amy Anderson
TITLE: Housing Director/Vice President

BY: _____
Carlos Jackson, Executive Director

APPROVED AS TO PROGRAM:
COMMUNITY DEVELOPMENT COMMISSION
OF THE COUNTY OF LOS ANGELES

BY: _____
Corde Carrillo, Director
Economic/ Redevelopment Division

APPROVED AS TO FORM:
Office of the County Counsel

BY: _____
Deputy